



A Study On Customer Preference Towards Paytm With Special Reference To Killiyoor Taluk

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Abstract:

Paytm has a large user base in India and plays an important role in the digital payments ecosystem. The platform has more than 333 million registered users and over 100 million monthly active users, showing its widespread adoption across the country. In the Unified Payments Interface (UPI) ecosystem, Paytm holds around 7–9% of the market share, making it one of the major digital payment applications in India, although platforms like PhonePe and Google Pay have a larger share. Paytm is widely used for mobile recharges, bill payments, online shopping, and merchant payments. Its growing user base and merchant network highlight the increasing acceptance of digital payments in India.

Key Words: Paytm, digital payment platform, transfer cash

I. INTRODUCTION

Paytm is one of the most popular digital payment platforms in India. It was founded in 2010 by Vijay Shekhar Sharma under the parent company One97 Communications. Initially, Paytm started as a platform for mobile recharge and bill payments. The main aim was to make online payments simple and convenient for people through mobile phones and the internet.

The current status of Paytm shows that it remains one of the major digital payment and financial technology platforms in India. The company operates under One97 Communications and continues to provide services such as UPI payments, bill payments, ticket booking, merchant payments, and financial services. Paytm has millions of users and a large network of merchants who accept payments through QR codes and digital transactions.

In recent years, Paytm has focused on strengthening its core payment and financial services business. The company reported improved financial performance, including quarterly profits and strong growth in payment and financial services segments. For example, in early 2026 Paytm reported about ₹225 crore profit and around 20% revenue growth, showing recovery and improvement in its business operations. However, the company has also faced some challenges. The Reserve Bank of India placed restrictions on Paytm Payments Bank in 2024 due to regulatory issues, which affected some banking services. After this, Paytm shifted its focus more toward merchant payments, lending services, and partnerships with other banks to continue its operations smoothly.

At present, Paytm remains an active and growing fintech company, expanding services like merchant loans, investments, and digital financial products. With increasing digital payment usage in

India, Paytm continues to play an important role in the country's cashless economy and digital financial ecosystem.

STATEMENT OF THE PROBLEM

The rapid growth of digital technology has transformed the way people make financial transactions. Digital payment applications have become widely used due to their convenience, speed, and accessibility. Among these applications, Paytm has emerged as one of the most popular platforms in India, offering services such as money transfer, mobile recharge, bill payments, and online shopping. However, with the availability of several digital payment platforms, customers have different preferences based on factors such as security, reliability, transaction speed, ease of use, and customer support. Some users prefer Paytm because of its wide range of services and user-friendly interface, while others may face issues like transaction failure, refund delay, or technical problems that influence their satisfaction.

Therefore, it is necessary to study the customer preference towards Paytm to understand the reasons for its usage, the level of satisfaction among users, and the problems faced during transactions. This study aims to identify the factors influencing customer preference and provide suggestions for improving the services offered by Paytm.

REVIEW OF LITERATURE

Dr.T.Venkatesan(2018), In the article titled "usage of paytm" concludes that the usage of paytm is only at a satisfactory level. The customer faces problems in ease of use, security issues and slow paytm server in the usage of paytm. Paytm can establish a separate wing with trained staff and to address the issues and Problems related to paytm service.

Rajan Drmlami (2015), expresses in the study that providing customer satisfaction is the most crucial step of the company as they are to be satisfied and provides internet access on the move such as wide network coverage and technology advanced stuff required by almost everybody in today's environment. From the details it can be concluded that 80% of Reliance Jio users preferred to remain with Reliance Jio and fully satisfied. Also good number of customer who are living to switch from their respective subscribers showed interest in Reliance Jio is capturing the wide area of Indian markets increasingly gay by day. Hence, these statistics imply a bright future for the company. It can be said that in near future, the company will be booming in the telecom industry.

OBJECTIVES OF THE STUDY

- To identify the problem faced by customers in using Paytm.
- To find out the level of customer satisfaction with Paytm services.
- To understand customer preference towards Paytm app.
- To identify the challenges faced by the customers in Paytm services.

RESEARCH METHODOLOGY

The study focus on both primary data and secondary data which are analyses using various statistical tools.

Primary Data:

The primary data is collected through an interview schedule administered to a sample of 90 customers from Killiyoor Taluk.

Secondary data:

The secondary data was collected from available literature in books. Journals research report and others published materials. Pertaining to the attitude towards customers using Paytm .

Sampling Design:

It is definite plan for obtaining a sample from a given population. It refers to the technique the research adopts in selecting items for the sample. The respondents are selected based on simple random sampling.

Tools used for data analysis:

The data from the primary source arranged sequentially and tabulated in the systematic order in the master table. The statistical techniques used for the analysis includes percentage analysis, Chi-Square Test and ranking Method.

ANALYSIS AND INTERPRETATION

In this data analysis is considered to be important step and heart of the research in research work. There are the first in demographic profile, main reason for preferring paytm , Challenges faced by customers, Customer satisfaction level of Paytm app , problem faced while using Paytm App.

TABLE NO: 1
DEMOGRAPHIC PROFILE OF THE RESPONDENTS

Sl. No	Demographic Profile of the Respondents	Categorized	No. Of the respondents	Percentage
1	Gender	Male	52	58
		Female	38	42
		Total	90	100
2	Age Group	Below 20	13	15
		21-30	21	23
		31- 40	29	32
		Above 40	27	30
		Total	90	100
3	Monthly Income	Below – 10000	13	15
		10001 – 20000	27	30
		20001 – 30000	26	29
		Above 30000	24	26
		Total	90	100
4	Status of the respondents	Students	18	20
		Business	12	14
		Government	22	24
		Private	38	42
		Total	90	100

Source: Primary Data

Table no.1 shows,58 percent of the respondents are male; among the total respondents 32 per cent of the respondents belong to the age group of 31-40yrs; 30 per cent of the respondents belong to the family income group is Rs.10001-20000; 42 per cent of the respondents status is private employees.

Main Reason for Preferring Paytm

The following table shows the main reason for preferring paytm apps.

Table No.:2

Main Reason for Preferring Paytm

S. No	Reason	No. Of respondents	Percentage
1	Convenience	26	29
2	Cashless payment	22	24
3	Discount & cash back	18	20
4	Wide acceptance	16	18
5	Others	8	9
Total		90	100

Source: Primary data

The above table shows the main reason for preferring Paytm among respondents. Out of 90 respondents, 26 respondents (29 percent) prefer Paytm due to convenience, 22 respondents (24 percent) prefer it for cashless payment facilities, 18 respondents (20 percent) are attracted by discount & cash back offers, 16 respondents (18 percent) prefer Paytm because of its wide acceptance, 8 respondents (9 percent) other reasons.

Hence, the majority 29 percent indicate that convenience is the primary reason for preferring Paytm.

Challenges Faced by Customers

Customers using the Paytm app face a variety of challenges ranging from technical issues and user experience friction to significant regulatory hurdles that have impacted service availability. The most prominent recent challenges involve the restriction of Paytm Payments Bank services, which has caused disruptions in wallet, FASTag, and banking services.

Table No.:3

Challenges Faced by Customers

S. No	Challenges faced	No. Of respondents	Percentage
1	Technical issues	28	31
2	Refund delay	24	27
3	Security concern	18	20
4	Customer support issue	20	22
Total		90	100

Source: Primary data

The above table shows the challenges faced by respondents. Out of 90 respondents, 28 respondents (31 percent) reported technical issues, 24 respondents (27 percent) experienced refund delays, 18 respondents (20 percent) expressed security concerns, and 20 respondents (22 percent) faced customer support issues.

Hence, the majority 31 percent of the respondents technical issues are the most common problem faced by Paytm users.

Relationship Between Age and Level of Satisfaction In Paytm App

The primary data collected from the respondents are tabulated for analysis and interpretation. The data analysed and interpretation is tested by using Chi-Square test. The Chi-Square is applied in statistics to test the goodness of fitness to verify the distribution of observed data with assumed theoretical distribution. The following formula has been for computation "Chi-Square".

H_0 =There is no relationship between age and level of Satisfaction in Paytm app.

Table No.:4

O	E	O - E	(O - E) ²	(O - E) ² /E
2	3.467	1.467	2.152	0.620
4	5.489	1.489	2.217	3.272
5	2.022	2.978	8.869	4.386
0	1.156	1.156	1.337	1.156
2	0.867	1.133	1.283	1.479
8	5.6	2.4	5.76	1.029
9	8.867	0.133	0.018	0.002
2	3.267	1.267	1.605	0.491

1	1.867	0.867	0.751	0.402
1	1.4	0.4	0.16	0.114
10	7.733	2.267	5.139	0.664
14	12.24	1.76	3.098	0.253
3	4.511	1.511	2.283	0.507
1	2.578	1.578	2.490	0.965
1	1.933	0.933	0.870	0.450
4	7.2	3.2	10.24	1.422
11	11.4	0.4	0.16	0.014
4	4.2	0.2	0.04	0.009
6	2.4	3.6	12.96	5.4
2	1.8	0.2	0.04	0.022
$\Sigma(O - E)^2/E$				22.657

Source: Computed data

Age and Level of Satisfaction In Paytm App

S. No	Particulars	Value
1	Calculated value	22.657
2	Degree of freedom	12
3	Table value	21.026

It is clear that the calculation value of Chi-square test is greater than the table value. So, the hypothesis is rejected therefore there is a relationship between Age and Level of Satisfaction In Paytm App.

Table 4.26

Problem faced while using Paytm App

S. No	Problem faced while using Paytm App	Garrett Ranking	Rank
1	Payment deducted but not credited	53.4	III
2	Transaction failure	56.3	I
3	System downtime	46.5	V
4	Usability	46.1	VI
5	Service issues	49.4	IV
6	Refund delay	54.0	II

Source: Computed data

The above table reveals that the respondents problem faced while using Paytm App “Transaction failure” scores 56.3 and hold first rank “Refund delay” scores 54 and hold second rank “Payment deducted but not credited” scores 53.4 and hold Third rank “service issues” scores 49.4 and

hold fourth rank “ system downtime “ scores 46.5 and hold fifth rank and “ usability “ scores 46.1 and hold sixth rank.

CONCLUSION

The study on customer preference towards the Paytm app reveals that digital payment platforms have become an integral part of everyday financial transactions, especially among younger and tech-savvy users. The findings indicate that most customers prefer Paytm due to its convenience, ease of use, quick transaction process, and wide acceptance across various merchants. However, the study also highlights certain challenges faced by users, including transaction failures, delayed refunds, server downtime, and concerns about security and privacy. Despite these issues, a majority of respondents continue to rely on Paytm, suggesting a strong level of trust and dependency on digital payment systems. Overall, the study concludes that Paytm has successfully established itself as a preferred digital payment platform, but there is still scope for improvement in terms of technical reliability and customer support services. By addressing these issues and enhancing user experience, Paytm can further strengthen customer loyalty and expand its user base. The future of digital payments appears promising; with increasing adoption expected as technology continues to evolve and customer awareness grows.

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